

## BEATING THE SCAMMERS

# Breaking the Spell

Financial fraud is increasing, with incredibly sophisticated methods being employed to coerce individuals into parting with sensitive information. However, FIs are fighting back with imaginative solutions to build awareness of fraud trends and empower customers to recognise and avoid scams.

**F**raud and cybercrime are constantly on the rise, with tactics becoming increasingly sophisticated. Often the victims of scams are not hacked or subject to a complex cyberattack. Rather, they are coerced into voluntarily handing over money or sensitive financial information by criminals with a knack for manipulation and surprisingly convincing stories to tell.

In October 2023 the BBC broadcast a week of special programming to cast a light on what it described as “the ever-increasing scam culture that is sweeping the UK.” It described its *Be Scam Safe* campaign as possibly the “largest consumer campaign in recent history, set to reach more people than ever before with a clear unified call to action to stop scammers”.

During the campaign, a themed edition of BBC Radio 4’s *You And Yours* consumer rights programme entitled *Under The Spell* revealed just how powerful the coercive techniques of scammers can be. It featured a couple who were convinced to lie to their bank about the nature of their financial transactions when tricked into parting with £86,000 as part of a cryptocurrency scam.

Another fraud victim refused to believe their bank when informed that they were likely the victim of a scam. They even agreed to post a selfie acknowledging that they had been warned of the risk before their bank approved the intended transaction.

The BBC reports that the ‘spell’ cast by scammers is one of banks’ top concerns when it comes to preventing fraud. So how exactly do we go about breaking the spell, and why is it so pervasive in the first place?

## Digital lives, digital lies

The remarkable digitisation of our lives forms the backdrop against which fraud is rising. “Every technical innovation that is good for consumers is also probably good for criminals who are always looking for ways they can exploit new technology,” says Mark Tierney, Chief Executive, Stop Scams UK.

Stop Scams UK is a cross-sector membership organisation comprising 22 businesses spanning the banking, telecoms, and technology sectors and helped the BBC develop the consumer messaging for its *Be Scam Safe* campaign.



Tierney explains how emerging technologies can be hijacked by scammers. “For example, many of our members have been using AI to prevent scams for decades, but bad actors are also able to use the technology to become even more convincing.

“Almost every innovation such as near instantaneous payments, AI, and every technical platform or telephony service you might use is going to be vulnerable in some way; especially with more and more of our lives going online and potentially more of our information being available than before.”

Not only is fraud a huge proportion of all recorded crime, it leaves behind an extensive footprint of harm. “People are defrauded out of well over £100bn every year,” reveals Tierney. “That’s more than £2,000 every minute. And that’s just the figures that are reported, it doesn’t come close to what the total damage is,” he adds.

“You have to think about the psychological impact on people who get scammed; the shame and embarrassment, the financial impact and all the transactions that don’t happen as a result. Then there’s the diminished trust in platforms and services that follows,” he adds.

### The battle for trust

“Once you’re at the point of needing to break a spell, a lot of harm has already been done,” says Tierney. “You’re in a battle as to who is more convincing, the bank or the scammers. It’s hard to be a voice of authority when you’re in a battle with a very convincing scammer with an appealing story.

“At Stop Scams UK we believe that the real key to breaking the spell and undoing this harm is going upstream and stopping those kinds of situations from arising in the first place, while recognising that they do exist.”

Stop Scams UK seeks to bring together a coalition of industry firms that can help join up the dots when combating scams. Part of that mission is to forge a better alignment of consumer messaging, says Tierney.

“One way we can help to change consumer behaviour is by giving people something very simple, memorable and engaging to do,” he says.

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**Mark Tierney,**  
Chief Executive, Stop Scams UK

“A lot of campaigns use words like ‘victim’, which runs the risk of turning quite a lot of people off because it encourages them to think, ‘That’s not for me, I’m not a victim. I don’t need to listen to this.’

“Research by NatWest shows that 42% of people don’t believe they will ever fall for a scam, yet 61% are worried about a vulnerable relative being a victim of a scam,” he continues. “I think that’s quite telling.”

In a bid to create solutions that can shift consumer behaviour away from the influence of scammers, the free 159 telephone service was introduced. “It’s just three digits you can dial on your phone that connects you to your bank,” explains Tierney. “Our message is that if you’ve had a call or any communication about a financial matter that you weren’t expecting then you should stop, hang up and call 159.

“It can help prevent scams where criminals impersonate banks and authority figures to ask people to move money,” he says. “The advantage of a solution like 159 is that it’s a simple message that helps drive an important behaviour change. It’s clear, simple and memorable,” he adds.

### A united front

Banks are increasingly acknowledging they need to do more to break the spells cast by scammers. “At Santander we have a specially trained ‘Break the Spell’ team, which works directly with customers to try to unravel the complex web of deceit fraudsters have told them,” says Chris Ainsley, Head of Fraud Risk Management, Santander UK.

“They work over time with customers, having numerous conversations to help them understand how fraudsters work and that they might be getting scammed,” he explains. “Each case is different, so the team has tailored conversations with customers to help break the spell.

“Since the team was set up in 2021 it has saved customers around £13.5m, which would otherwise have been sent to fraudsters,” he adds.

Santander runs campaigns to combat evolving fraud trends throughout the year and is committed to protecting its customers. “We keep a close eye on customer data and behaviour, identifying emerging themes and new types of scams, which we then raise awareness of with our customers to help them spot these and protect themselves against them,” explains Ainsley.

“Recently we introduced new more detailed scam warning messages, as well as giving customers more control over their money through configurable limits. However, it is time for us all to act together,” he urges.

“We have set out clear recommendations for the banking sector, government and other industries to tackle fraud and we must all come together to take the fight to the fraudsters who commit these crimes,” he says.

Santander’s recommendations include introducing new data-sharing standards and implementing a specific set of anti-fraud rules for financial providers while fostering collaboration between law enforcement and industry.

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### ► Creative communication

Banks need to find creative and engaging ways to help break the spell, thinks Andrew Neilson, Media Relations Manager, NatWest. “We need to make people aware of the types of techniques the scammers use so they can hopefully stop them before they happen.

“For example, people will often send money to someone they have never met if they are given a plausible sounding reason as to why that’s the case. That’s why lots of romance scammers pretend to be in the military or in some remote place.

“We’ve completed some work with Cecilie Fjellhøy from the Netflix show *The Tinder Swindler*, where she spoke about her experience of how effective fraud techniques can be,” he continues. “It shows that these scammers understand what motivates people and know how to exploit that.

“You’ve got to find ways to keep customers interested and develop creative methods for communicating your fraud prevention messaging,” he advises.

NatWest is developing innovative ways to get its message across. A recent campaign in the lead up to Christmas 2023 featured a Christmas card sent out to customers. The front depicted a smiling Christmas pudding. But once, opened the card revealed a Brussels sprout hiding in its place.

This was a humorous way of highlighting the risk of impersonation fraud and a creative approach to encourage customers to be more critical of the veracity of the financial communications they receive. “We found a fun way to tell our story that is a little bit different and gets people engaged,” says Neilson.

A further innovation included the creation of a board game named *All The Mod Cons*. “The idea is not to lose all your money,” Neilson explains. “As you move around the board you pick up ‘scam cards’ that ask questions about different types of scams and how to look after your money. The aim is to try to avoid falling for scams. The person who wins is the one who holds on to the most money.”

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Creative messaging also needs to be deployed at the right time to deliver ultimate impact. “Scams begin to rise on the run-up to Christmas, so we thought a board game was an apt way to get people thinking about scams during this period,” concludes Neilson. **CB**

